

**BEFORE THE
ADMINISTRATIVE RULES COMMITTEE
OF THE NORTH DAKOTA LEGISLATIVE COUNCIL**

Amendments to N.D. Admin. Code)
Chapter 75-03-15, Ratesetting for Providers)
Of Services to Foster Children – Group)
Homes and Residential Child Care Facilities)

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**REPORT OF THE
DEPT. OF HUMAN SERVICES
July 16, 2003**

For its report, the North Dakota Department of Human Services states:

1. These rule changes did not result from statutory changes made by the Legislative Assembly.
2. These rule changes are not related to any federal statute or regulation.
3. The Department of Human Services followed its standard practices for providing notice of the rulemaking process.
4. Six commentors made comments at the public hearing. A summary of comments was prepared and sent to the individuals providing comments, a copy of which is attached to my testimony.
5. A regulatory analysis was required by N.D.C.C. § 28-32-08, and a regulatory analysis was issued. A copy is attached to my testimony.
6. The approximate cost of this rulemaking project was \$1,162.76.
7. This rulemaking project was implemented to avoid a delay in implementing an appropriations measure. Specifically, the Department of Human Services needed to take immediate action to contain expenditures in order to stay within an appropriation for the 2001-2003 biennium. By removing all references to the consumer price index in § 75-03-15-04(3), the Department was not tied to a

specified inflation factor. Further, the emergency rulemaking provided consistency among providers.

The Department made one other change to the administrative rules in response to a comment received within the comment period. One commentator suggested the rules be amended to allow the Department to include an adjustment factor in the ratesetting standards, if and when funds are available. The Department agreed with this comment, and amended § 75-03-15-04(5) accordingly.

8. A constitutional takings assessment was prepared as required by N.D.C.C. § 28-32-09, and is attached to my testimony.

9. These rules were adopted as emergency (interim final) rules under N.D.C.C. § 28-32-03. The rules were adopted in this manner so as to avoid a delay in implementing an appropriations measure. By removing all references to the consumer price index in § 75-03-15-04(3), the Department was not tied to a specified inflation factor. Further, the emergency rulemaking provided consistency among providers. Attached to my testimony is a copy of the Governor's approval of the emergency status of the rules.

I would be happy to answer any questions the committee members may have.

Presented by:

**Krista Andrews, Attorney
Legal Advisory Unit**

